

# BRIDGEPORT

INNER CITY BUSINESS STRATEGY INITIATIVE

CREATING JOBS, INCOME, AND  
WEALTH FOR INNER CITY RESIDENTS

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## **INNER CITY BUSINESS STRATEGY**

**CREATING JOBS, INCOME, AND WEALTH FOR  
INNER CITY RESIDENTS**





On behalf of the Bridgeport Advisory Board, we are proud to present Bridgeport's action plan for inner-city business development.

The strategies described in this document are the result of a powerful partnership between Bridgeport's business leadership, the City of Bridgeport, and Bridgeport's many dedicated nonprofit community organizations. I would like to thank Mayor Ganim in particular for his strong support of the project.

Through this powerful partnership, Bridgeport leaders have identified new opportunities to tackle the complex issues of inner-city revitalization. Bridgeport's action plan identifies key strategies for inner-city business growth, entrepreneurship, and employment in three of our strongest industry clusters: metal manufacturing, entertainment and tourism, and office services.

This effort to boost business development in Bridgeport's inner city comes at a critical time. A strong state and national economy, coupled with significant progress and momentum in Bridgeport's own revitalization, create a window of opportunity to broaden the reach of economic prosperity.

Through continued commitment and collaboration the innovative strategies outlined in this report can lead to measurable business growth and job creation in Bridgeport. With your support we can move farther than ever before toward providing all Bridgeport residents with opportunities for stable employment and entrepreneurship.

Sincerely,



Mickey Herbert  
President & CEO, Bridgeport Bluefish  
Bridgeport City Champion

# ACKNOWLEDGMENTS

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We would like to gratefully acknowledge the leadership and generous commitment of time, energy, and resources of all of the following:

Governor Rowland and the leadership of the Connecticut Legislature  
The Honorable Joseph Ganim, Mayor of Bridgeport  
Governor's Council for Economic Competitiveness and Technology  
The Connecticut Department of Economic and Community Development (DECD)  
The Initiative for a Competitive Inner City (ICIC)  
The Connecticut Economic Resource Center, Inc. (CERC)  
Bridgeport City Council  
Bridgeport Inner-City Business Advisory Board (See Appendix 1)  
Bridgeport Inner-City Business Research Team (See Appendix 2)  
City of Bridgeport Department of Economic Development  
Bridgeport Regional Business Council (BRBC)  
Bridgeport Economic Resource Center (BERC)  
Housatonic Community College  
The Work Place, Inc.  
Career Resources  
The Grow Bridgeport Fund  
Bridgeport business owners and community leaders, who contributed valuable information through interviews

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# EXECUTIVE SUMMARY

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## Introduction

The Bridgeport Inner City Business Strategy Initiative is a bold effort to tackle every city's most pressing challenge – extending today's economic prosperity to citizens who have been left behind.

Through this initiative, business, government and nonprofit leaders in Bridgeport have come together to produce a unique, multi-faceted strategy aimed at building a healthy inner-city economy and promoting opportunities for inner-city job, income, and wealth creation.

Recognizing that a vibrant private sector is the key to a prosperous, competitive economy, the initiative focuses on **private, for-profit business growth and job development**. Because it is based on real competitive advantages and market opportunities, the strategy detailed in this report has the potential to create sustained economic growth in Bridgeport.

By taking decisive action to implement this strategy, Bridgeport can achieve dramatic results:

- Prepare hundreds of inner-city residents to compete for higher-skilled jobs with opportunities for advancement
- Facilitate inner-city business growth, attraction, and retention, with an immediate focus on metal manufacturing, entertainment and tourism, and office services
- Develop a pool of inner-city entrepreneurs poised to take on new business opportunities
- Solidify ties among business, government, and nonprofit leaders and build the institutional infrastructure needed to promote and sustain business development in the long term
- Fundamentally alter the opinions and attitudes of customers, investors, and business professionals regarding viable business opportunities in Bridgeport's inner city

Bridgeport has made tremendous progress already. Leaders have achieved a common strategic vision and

### Achievements To Date

- Over 50 corporate, government, and community leaders actively committed to inner-city economic development and ready to drive recommendations to implementation
- Over 50 interviews conducted with inner-city companies, providing in-depth knowledge of the competitive advantages and disadvantages specific to Bridgeport's inner city
- A detailed analysis of Bridgeport's inner-city economy based on the industry clusters that drive its growth
- Detailed strategies and action plans for business growth in three target clusters: Metal Manufacturing, Office Services, and Entertainment & Tourism
- Formation of a Metal Manufacturing Cluster Network, which has already received over \$100,000 in public and private support



created the momentum needed to drive action and produce results.

## Recommendations

The project's strategic vision is based on the following three interlocking determinants of inner-city competitiveness:

1. **Competitive Industry Clusters:** A base of strong and growing businesses
2. **Competitive Cities:** A business environment that facilitates growth
3. **Competitive Inner-City Residents:** A workforce prepared to compete in the new economy and a pool of entrepreneurs prepared to take advantage of new economic opportunities

The project's strategies focus on developing each of these critical determinants.

## Building Competitive Industry Clusters

### *Create a Bridgeport metal manufacturing network*

Nationally, metal manufacturing industries are experiencing growth above national GNP as successful companies adopt innovative approaches to lean manufacturing, technology, and workforce development. In contrast, Bridgeport's metal manufacturing cluster, representing 6,500 jobs as the city's second largest employer, has remained stagnant in recent years.

The creation of a metal manufacturing cluster network was recommended to boost competitiveness in Bridgeport. In response to this recommendation, 10 metal manufacturers have established the Metal Education and Training Alliance (META). The network will focus on four major areas: lean manufacturing, joint purchasing, workforce development, and marketing.

#### **Potential Impact over Three Years**

- Help at least **20 Bridgeport companies** improve their competitiveness, adopt new technologies, or cut costs as a result of participation in the network
- Position at least **100 inner-city residents** to take jobs in metal manufacturing companies or advance within their current company through broader recruitment and targeted skills training programs
- Offer seminars for Bridgeport's base of over **150 metal manufacturers** regarding growth opportunities and strategies for development

### *Implement a coordinated business development strategy to leverage current investments in entertainment and tourism*

Bridgeport has made a significant investment in becoming a tourism destination in recent years. The Arena and Harbor Place developments are expected to boost the number of visitors from one million in 1999 to approximately 10 million in just five years. Growth in the entertainment cluster will create employment

and business opportunities in industries throughout the cluster, such as restaurants and retail, commercial services, and construction.

Through an entertainment and tourism cluster strategy, Bridgeport will:

- Create a construction cooperative to help small inner-city contractors overcome barriers to business growth

- Develop a strategy to link existing commercial services companies with opportunities in entertainment and tourism cluster, encourage entrepreneurship, and/or attract commercial services franchises

- Work with a restaurant consultant to identify and implement successful strategies for restaurant development

- Boost the competitiveness of downtown entertainment venues by identifying and acting upon opportunities for business collaboration and joint purchasing

### **Potential Impact over Three Years**

Help at least **25 inner-city contractors** grow their businesses by providing business assistance and training through a construction cooperative

Support the development of **five existing restaurants** and the development of **one or two new restaurants**

Inform at least **25 potential inner-city entrepreneurs** about opportunities in commercial services and help at least **10 companies grow** to serve this new demand

Provide training for **over 200 inner-city residents** to fill entertainment and tourism jobs as they become available

## **Building Competitive Cities**

### ***Improve perceptions of Bridgeport***

Interviews have revealed that the perception of crime is a serious competitive disadvantage for businesses in Bridgeport. Negative perceptions of the city deter customers, business owners, and investors from doing business there.

A group of leaders can build on the momentum of the mayor's Clean & Green program by launching a proactive marketing strategy to disseminate positive perspectives of Bridgeport.

### ***Create and implement an office services strategy***

The combination of an expanding financial services industry in the Stamford area and an available pool of labor in Bridgeport make Bridgeport a potential location for office services operations. In order to position

itself as a prime location, Bridgeport will need to build on its locational advantages and address its disadvantages.

Attracting office services companies to Bridgeport can have many benefits. Office services companies can provide higher wage jobs for underemployed inner-city workers and improve access to entry-level positions with potential for upward mobility for unemployed inner-city residents. In addition, a successful office services initiative can reduce traffic congestion on I-95, generate local retail revenues from increased presence of office employees (up to \$2.6 million per year), and generally improve perceptions of downtown Bridgeport.

#### **Potential Components of a Successful Office Services Effort**

- Develop a strong employer driven job-training program to recruit and train at least **100 inner-city residents** for jobs in office services, and further attract companies who are actively seeking an abundant labor pool
- Create **250,000 square feet** of new or renovated office space accommodating up to **1,000 workers**

## **Building Competitive Inner-City Residents**

### ***Enhance workforce development and job training***

Significant job growth is anticipated in Bridgeport's three target clusters. In the next five years, as many as 10,000 jobs may be created in the entertainment and tourism cluster alone. To be successful, economic development strategies must include efforts to prepare Bridgeport residents for these growing job opportunities. This will require industry-driven recruitment and training efforts, as well as general job-readiness programs.

Over the next three years, Bridgeport will develop and implement private-sector-led training strategies for metal manufacturing, office services, and entertainment and tourism.

#### **Potential Impact over Three Years**

- Position at least **100 inner-city residents** to take jobs in metal manufacturing companies or advance within their current company through targeted skills training programs
- Provide training for **over 200 inner-city residents** to take new jobs in Entertainment & Tourism venues
- Develop a strong employer-driven job-training program to train at least **100 inner-city residents** for jobs in office services, and further attract companies who are actively seeking an abundant labor pool

## **Moving Forward**

By launching this unique effort, Bridgeport has created unprecedented momentum behind inner-city revitalization. Continued success will require sustained commitment across multiple constituencies to harness energy, resources, and leadership.

Working groups have been identified, and implementation of some initiatives is well underway. These groups are seeking funds from the state, the city, and other private and nonprofit sources to support implementation efforts.

Through continued support and collaboration among the private sector, government, and nonprofit organizations, the action plan outlined in this report can lead to real economic change in Bridgeport's inner city.



# I. PROJECT OVERVIEW

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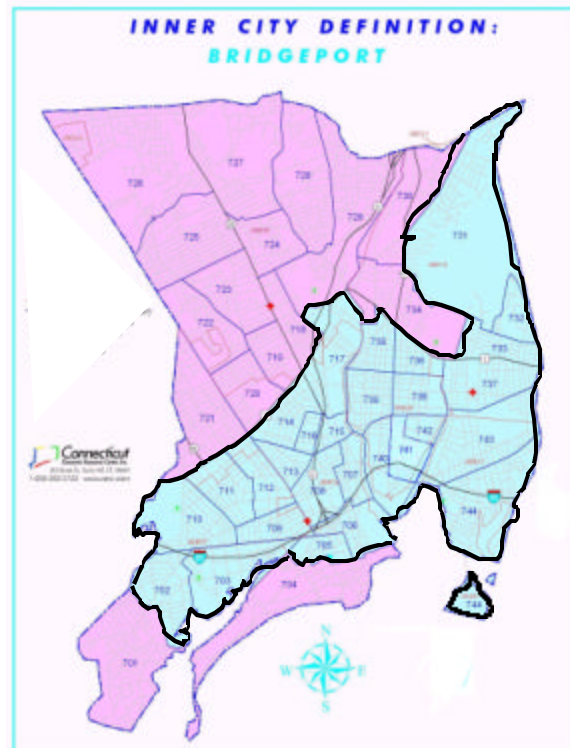
## Background

In January 1999, the Governor's Council on Economic Competitiveness and Technology (Competitiveness Council) launched the Connecticut Inner City Business Strategy Initiative. The Initiative's mission was to further local efforts and devise an overall strategy for inner-city economic revitalization in five target cities: Bridgeport, Hartford, New Britain, New Haven, and Waterbury. By identifying opportunities for business growth and changing perceptions of the inner city, the initiative seeks to increase economic opportunities for inner-city residents.

The project specifically focuses on Bridgeport's inner city, an area with high levels of unemployment and poverty and a low median household income. In order to generate sustainable economic development in this area, the project focuses on:

- Making the area competitive as a business location
- Building on its existing business base
- Integrating the area into the regional and national economy

Bridgeport's inner city, as defined in this project, is home to over 50 percent of the city's population and includes the central business district.



See page 36 for methodology for defining the inner city.

To implement this project, the State Department of Economic and Community Development (DECD) and the Competitiveness Council partnered with the Initiative for a Competitive Inner City (ICIC), a national not-for-profit organization founded in June 1994 by Harvard Business School Professor Michael E. Porter. ICIC's mission is to spark new thinking about economic opportunities in America's inner cities, thereby creating jobs, income, and wealth for local residents. ICIC offers a new approach to inner-city revitalization that emphasizes the creation of sustainable communities through encouraging for-profit business development and leveraging often-overlooked competitive advantages.

From June to December 1999, business, civic, and community leaders in Bridgeport and the other four cities worked closely with ICIC to assess their inner-city business base and create action-oriented growth strategies. The project's strategic vision is based on the following three interlocking determinants of inner-city competitiveness:

1. **Competitive Industries:** A base of strong and growing businesses
2. **Competitive Cities:** A business environment that facilitates growth
3. **Competitive Residents:** A well-trained workforce prepared to compete in the new economy and a pool of entrepreneurs prepared to take advantage of new economic opportunities

#### A multi-faceted strategy for improving Bridgeport's inner city



## A New Approach to Urban Revitalization

This project's approach to urban revitalization includes several key unique elements:

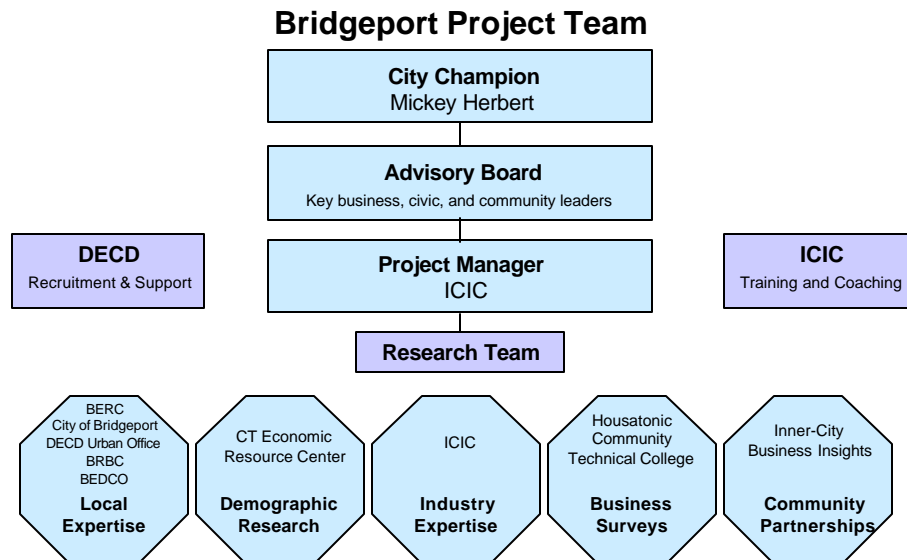
- Strong collaboration
- Specific focus on market-based inner-city business development
- Cluster-based approach to economic development

### ***Strong Collaboration***

First and most importantly, the project requires strong collaboration among multiple organizations and sectors within Bridgeport and between the City of Bridgeport and the State of Connecticut. Bridgeport began the project by selecting a Corporate Champion and an Advisory Board. Mickey Herbert, owner of

the Bridgeport Bluefish, spearheaded the project as Corporate Champion. The Advisory Board is a group of 20-25 business, government, and nonprofit leaders. A complete list of Bridgeport's Advisory Board members can be found in **Appendix 1**. At regular meetings over a six-month period, the Advisory Board lent local expertise, provided feedback on research findings, and oversaw the development of strategies.

The high degree of collaboration in this project has provided the necessary groundwork for a successful revitalization strategy that focuses organizational energy and resources on a common set of objectives.



## ***Market-Based Inner-City Business Development***

A second definitive aspect of this project's approach is its specific focus on developing market-based inner-city business strategies. While housing, education, and infrastructure are all important aspects of economic development, the scope of this project is limited to the identification of opportunities for for-profit business development – an area often overlooked in many urban revitalization strategies. Based on a belief that poverty is fundamentally caused by a lack of jobs and economic opportunities, the emphasis on business development is a required ingredient to achieving healthy communities.

The project also specifically focuses on Bridgeport's inner city, an area with high levels of unemployment and poverty and a low median household income. In order to generate sustainable economic development in this area, the project focuses on:

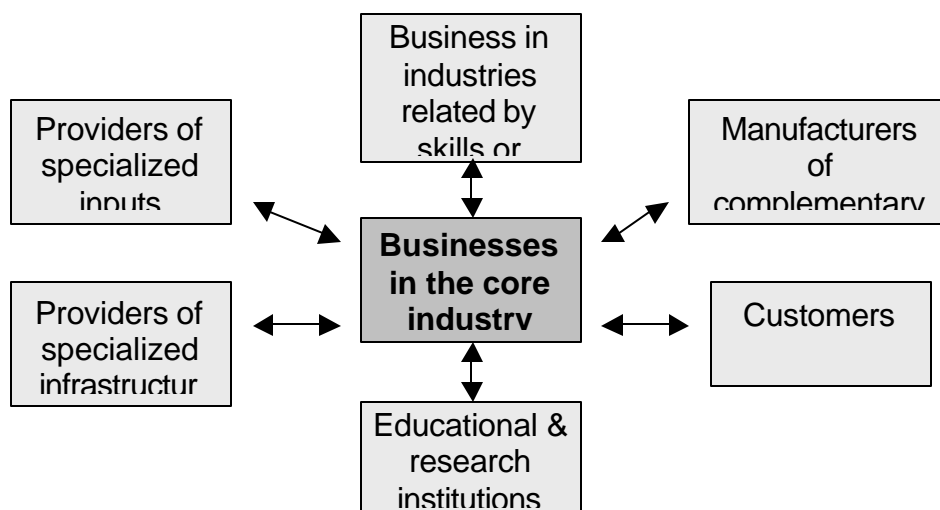
- Making the area competitive as a business location
- Building on its existing business base
- Integrating the area into the regional and national economy

Bridgeport's Research Team interviewed over 50 inner-city business owners to identify the most critical business environment issues specific to the inner city.



## ***Cluster Approach***

The third unique aspect of this project's approach to inner-city economic development is its focus on business clusters. A business cluster is a geographical concentration of interconnected companies and institutions in a particular field. Clusters can include the following groups of businesses:



Clusters can stimulate business formation and growth, help attract new companies to an area, and encourage retention among companies that benefit from the cluster's presence. Clusters can benefit individual companies through cluster-based employee training initiatives, joint purchasing and negotiation, shared learning, and best practices.

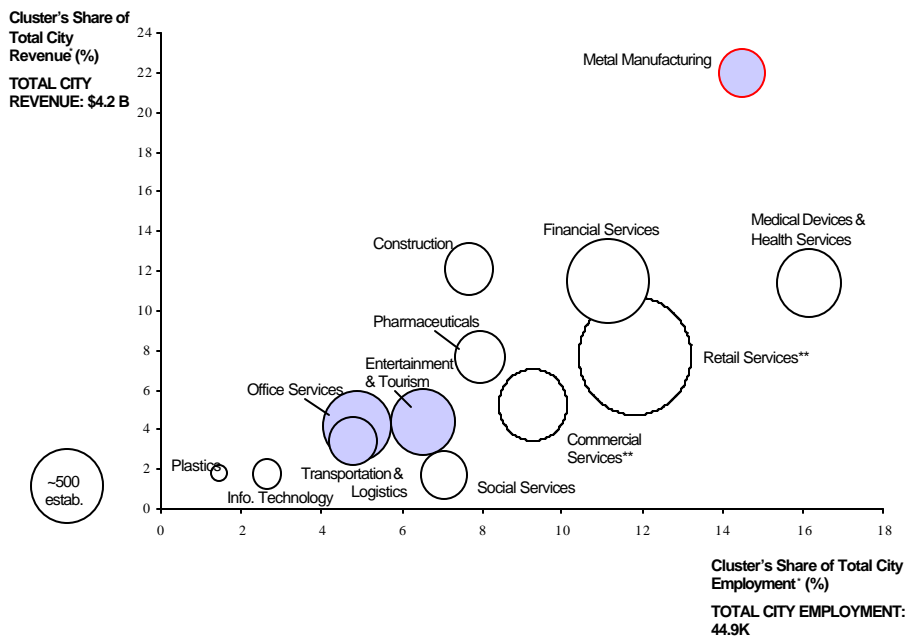
By using a cluster lens, the Bridgeport team has been able to base analysis and strategies on:

- A comprehensive view of the inner-city economy
- A view of the inner-city portfolio in the context of the region
- An understanding of key inter-linkages between companies and industries

In addition to providing a valuable framework for Bridgeport's strategy development, the cluster focus has also illuminated many connections among the five target cities. Several clusters were examined in multiple cities, allowing teams to share information, best practices, and innovative ideas for cluster growth, and to explore linkages among companies and clusters. This inter-city collaboration will have a far-reaching effect in strengthening urban business clusters and promoting sustainable economic development across the state.

The following diagram represents the core clusters in Bridgeport and their relative importance to the city's economy. Each circle in the diagram represents a cluster. The size of the circle represents the number of companies in that cluster. If a circle is far to the right, significant portions of Bridgeport's jobs are concentrated in this cluster. If the circle is located in the upper part of the graph, the cluster represents a significant part of the total revenues of Bridgeport businesses.

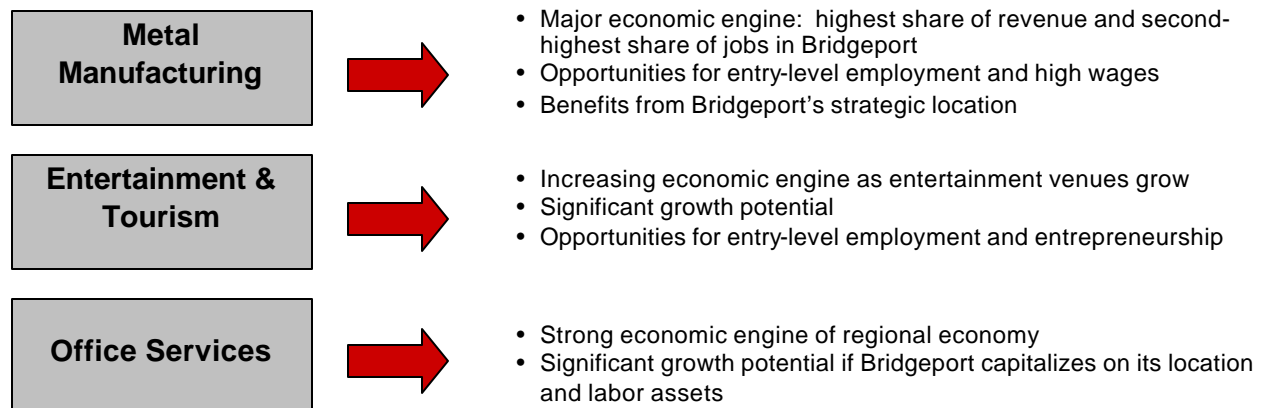
## Bridgeport's Core Clusters



The clusters represented in this graph were evaluated for their potential to create jobs, income, and wealth in Bridgeport's inner city. Several criteria were established for selecting the clusters this initiative would target.

- Major economic growth engine of the city and the region
- Significant growth potential
- Workforce needs match inner-city skill base
- Derives competitive advantage from an inner-city location

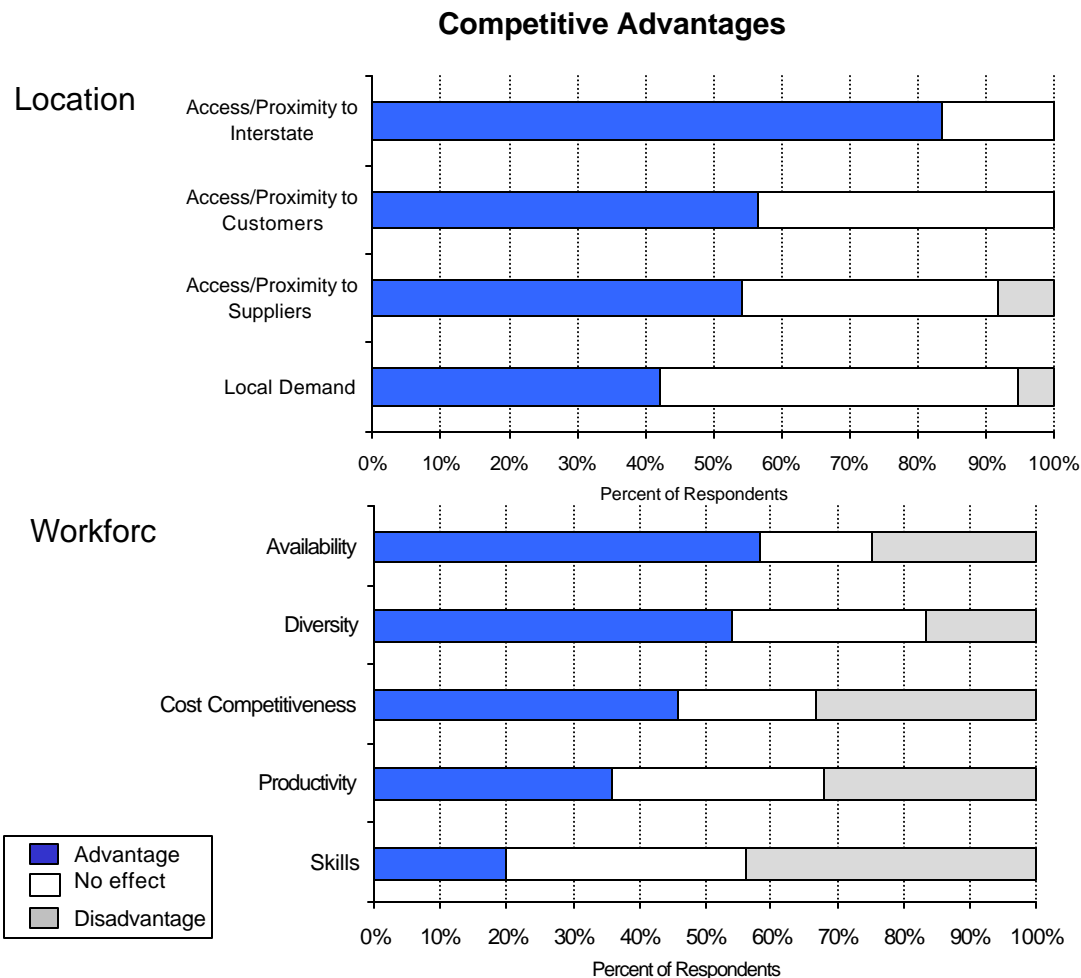
Based on this analysis, the Advisory Board focused on three target clusters: metal manufacturing, office services, and entertainment & tourism.



## Competitive Advantages & Disadvantages

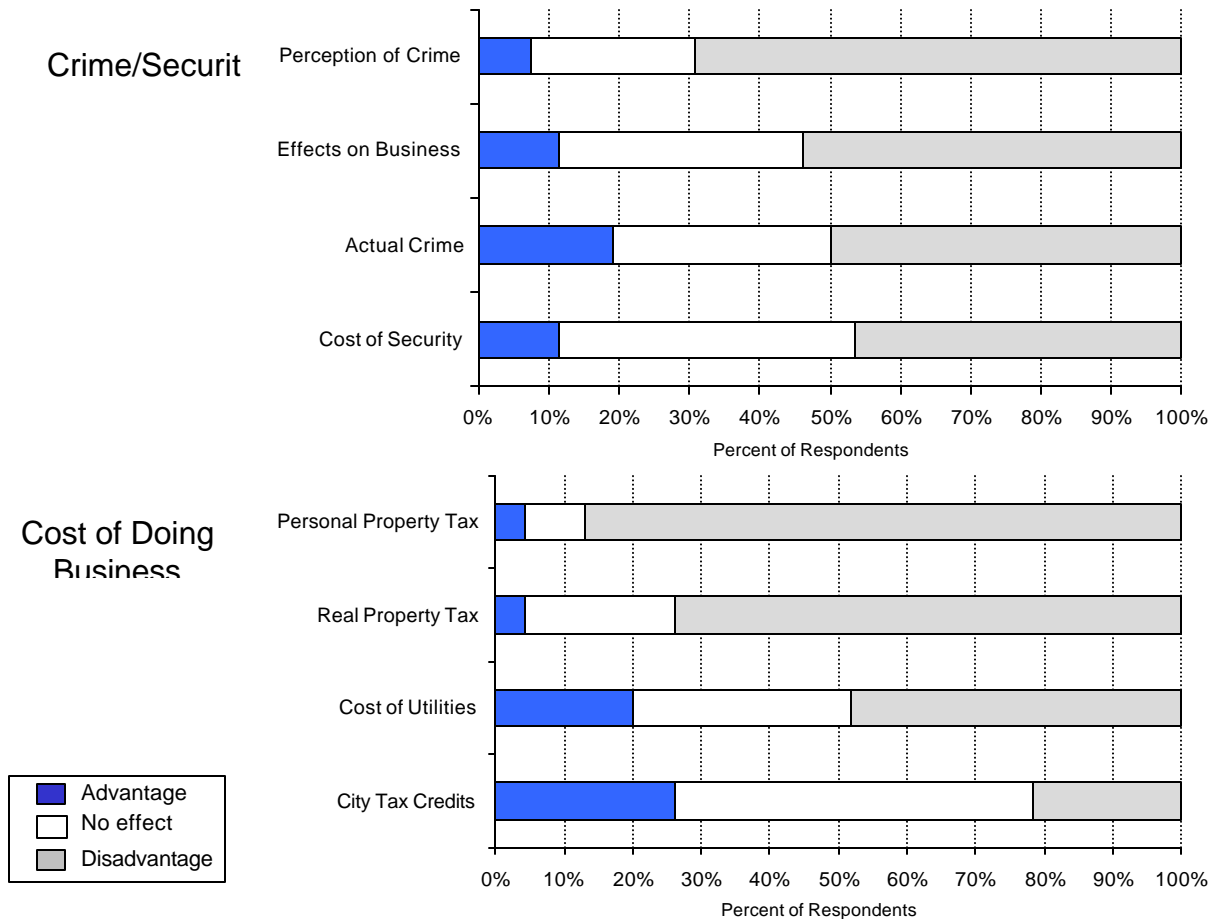
Following cluster selection, over 50 business interviews were held with inner-city company owners in the target clusters. A complete list of businesses interviewed can be found in **Appendix 3**. To better understand Bridgeport's business environment, these companies were asked to rate various aspects of doing business as competitive advantages or disadvantages in Bridgeport.

Strategic location and an available workforce were the most common competitive advantages that Bridgeport business owners cited. In particular, Bridgeport's location at the crossroads of I-95, Route 8, and Route 25 improves access to suppliers and/or customers and enables businesses to respond to requests quickly. Proximity to available workers has become increasingly important as companies compete in today's tight labor market.



In contrast, crime and the high cost of doing business were cited by many company owners as competitive disadvantages to their location in inner-city Bridgeport:

## Competitive Disadvantages



The data above reflects a critical difference between perceived crime and actual crime. While 69 percent of surveyed business owners cited the *perception of crime* as a competitive disadvantage to doing business in Bridgeport, only 50 percent cited *actual crime* as a disadvantage. These numbers show that while crime remains an important issue to address, improving perceptions of Bridgeport is perhaps equally important in terms of business development.

These competitive advantages and disadvantages highlight potential opportunities for inner-city business development strategies. The responses suggest that core approaches to leverage Bridgeport's competitive advantages include:

- Targeting efforts to attract businesses toward companies that depend upon proximity to transportation, customers, and/or suppliers
- Identifying opportunities to strengthen customer/supplier relationships that can benefit from Bridgeport's strategic location
- Building on the availability of labor by improving skills and productivity
- Developing strategies to improve perceptions of Bridgeport

- Offsetting the tax burden through increased business outreach and support

This thorough assessment of Bridgeport's inner city in terms of its demographic characteristics, business clusters, and competitive advantages and disadvantages provided a basis for developing strategies for inner-city business growth in each of the three clusters.

## II. METAL MANUFACTURING

### Recommended Action

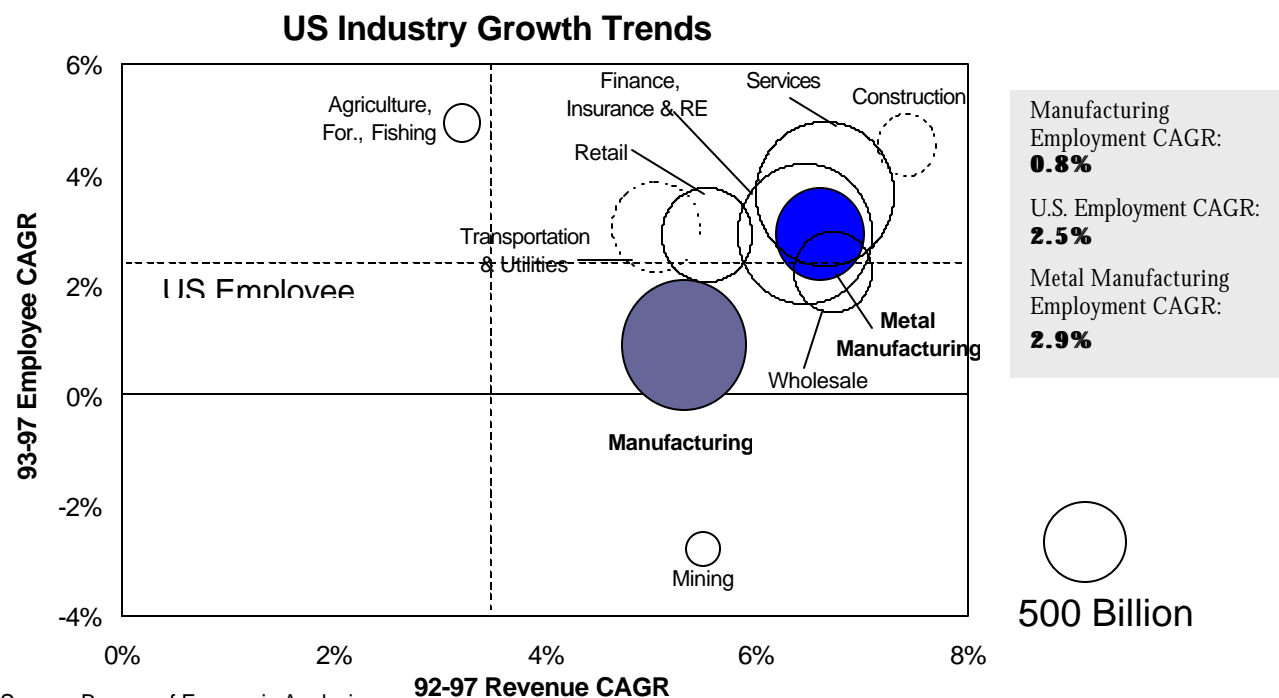
Form a cluster network to boost Bridgeport's substantial metal manufacturing base by:

- Fostering inter-firm relationships
- Improving industry competitiveness
- Upgrading skills and technology

### Why Metal Manufacturing?

Metal manufacturing is a critical part of Bridgeport's economy. This cluster, made up of industries such as fabricated metals, electronic components, metal stamping, and machine tools, generates a higher share of total city revenue than any other cluster. The cluster ranks second in share of Bridgeport employment, accounting for over 6,500 jobs in 1999.

As the following diagram of U.S. industry growth trends shows, general manufacturing employment growth has lagged behind most other industries in recent years. Metal manufacturing industries, however, have experienced rapid growth at a rate comparable to service industries. The most successful companies have adopted innovative approaches to doing business in today's new economy. In contrast to national growth rates, Bridgeport's metal manufacturing cluster has remained stagnant in



recent years. Bridgeport now has an opportunity to increase the competitiveness of this cluster. If the current stagnation trend continues, Bridgeport risks losing an essential part of its economic base. However, if Bridgeport assists companies in boosting competitiveness, there is not only a potential to retain existing companies and jobs but to build on this strong manufacturing base.

Growth in the metal manufacturing cluster can benefit Bridgeport's inner city in a number of ways:

- Many metal manufacturing companies are located in economically distressed areas. Their presence provides proximate jobs for inner-city residents.
- These companies often participate in the revitalization of their neighborhoods and hire locally.
- New jobs due to company growth and/or retiring workers can be linked to unemployed and underemployed inner-city residents through targeted recruitment and training programs.
- Manufacturing multiplier effect: In manufacturing industries, an average of 13.6 jobs are created per \$1 million increase in sales, as compared to 8.4 jobs created per \$1 million increase in sales in other industries.

## **Bridgeport's Metal Manufacturing Base**

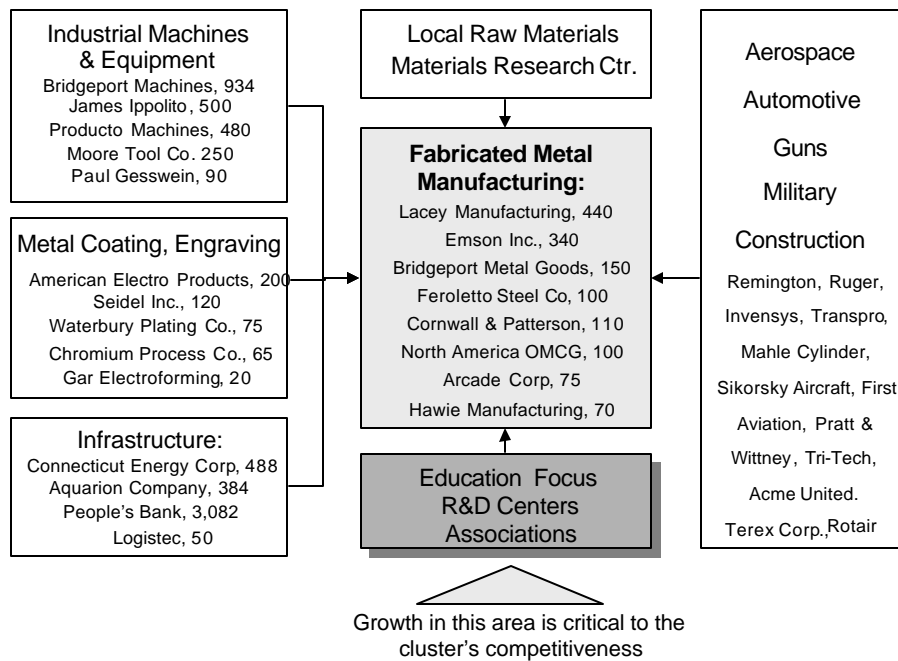
In 1999, Bridgeport's 192 metal manufacturing companies generated 22 percent of Bridgeport's total sales, for a total of about \$900 million. These companies employed 6,515 individuals in total. A significant number of these companies are small: 82 percent of them have fewer than 25 employees. However, almost 70 percent of the metal manufacturing employees in Bridgeport work at companies with over 100 employees. A significant number of Bridgeport's metal manufacturing employees will reach retirement age in the near future, exacerbating an existing shortage of workers with relevant skills for these industries.

Within its metal manufacturing cluster, Bridgeport has a relatively high concentration of companies in the following industries: metal-cutting machine tools, fabricated metal products, current-carrying wiring devices, electronic components, and metal stamping. On a national level, two of these -- fabricated metals and electronic components -- are among the highest-performing metal manufacturing industries.

In the past five years, while the total revenues of Bridgeport's metal manufacturing cluster have grown slightly (net increase of 8 percent), the number of employees has stayed stagnant (net decrease of 34 jobs). The greatest job growth has been in the electronic components and fabricated metal industries, while plastics, metal stamping, and machine tools have seen significant job losses.

Although the metal manufacturing cluster is made up of many diverse companies and industries, there are clear opportunities for interlinkages among them and with the rest of the economy. The diagram on the following page represents these linkages in the fabricated metals industry, one of the manufacturing industries with the greatest presence in Bridgeport. While many of the largest companies are listed here, many smaller manufacturers are present in Bridgeport as well.

## Bridgeport Metal Manufacturing Cluster: Fabricated Metals



## What Manufacturers Are Saying

Interviews with inner-city metal manufacturers revealed many common competitive advantages and disadvantages to doing business in Bridgeport. Many of the company owners cited their proximity and access to the interstate as a competitive advantage, as well as the availability of workers in the Bridgeport area. Fifty percent of the companies also identified access to suppliers and the diversity of the workforce as competitive advantages.

Bridgeport metal manufacturers identified competitive disadvantages to their success and growth as well. Every company interviewed rated the perception of crime as a competitive disadvantage, while 67 percent also rated actual crime as a disadvantage to their location. Personal and real property tax rates, zoning and permitting regulations, and the cost of utilities were other disadvantages. Finally, while the availability of workers is an advantage to these firms, the skills and productivity of the available workforce is a disadvantage.

The company owners identified specific barriers to growth on three levels:

- Individual business development
- Business environment
- Outreach/information



### Individual Business Development

#### **Needs**

Lean Manufacturing

#### **Bridgeport manufacturers say:**

"Lean manufacturing is very important. Lean manufacturing and inventory are two things that small shops don't understand."

Technology Upgrades

"Technology is really where small companies need help."

Marketing Assistance

"Name recognition and marketing changes are our most important challenges over the next 12 months."

Product diversification

"In 1989, we lost 40 percent of our customer base. We had to diversify to meet the needs of the industry that was here. It is the only opportunity if Bridgeport wants to stay industrial."

### Business Environment

#### **Needs**

Cost of doing business

#### **Bridgeport manufacturers say:**

100% of interviewees cited costs of utilities and personal property taxes in Bridgeport as disadvantages; 57% cited real property taxes as a disadvantage.

Antiquated facilities

"There were no industrial parks in Bridgeport, just antiquated facilities. We were searching for a more lateral, horizontal building. If we could have found a suitable facility, we would have stayed in Bridgeport."

Shortage of skilled labor

"There is a whole workforce of people retiring at once."

"Finding skilled workers is one of the biggest disadvantages to doing business in Bridgeport."

### Business Outreach/Information

#### **Needs**

A focus on retention

#### **Bridgeport manufacturers say:**

"Bridgeport didn't see the writing on the wall. Not only were the big manufacturers leaving, so were the small ones...Nobody from the city came and asked if they could help...so we left quietly."

Access to capital for expansion purposes

"It is critical to improve our shop floor automation. We want a particular machine, but we need the cash flow to purchase it."

## Strategic Opportunity: Metal Manufacturing Cluster Network

To address these specific needs, Bridgeport metal manufacturers can create a **metal manufacturing cluster network**. A cluster network is a group of companies that comes together to address common needs, pool resources, and/or develop new business relationships. Such networks have been successful in other parts of Connecticut and throughout the country. A Bridgeport metal manufacturing network can positively impact both member companies and the city of Bridgeport.

Member companies can benefit in several key ways:

## ***Individual Business Development***

- Improvements in **lean manufacturing**<sup>1</sup>, technology and skills upgrades, and product diversification can be facilitated through network-sponsored workshops and shared learning among network members.
- **Joint marketing** through a shared Web site, as well as marketing workshops, joint events, and export assistance are other potential benefits.
- In addition to boosting companies' capacity for growth, a network can foster productive **inter-firm relationships** among its members. For example, Anson Stamping Company, Inc. in Louisville, Kentucky was formed when three small metal manufacturing firms joined forces (see side bar).

## ***Business Environment***

- A network can improve industry competitiveness by enabling members to offset high costs of doing business through **aggregated purchasing**.
- A network also creates a unified, **collective voice** to communicate business needs and negotiate costs with local and state officials.
- A network can help companies address their workforce needs, one of the most critical issues identified by Bridgeport companies. Networks can lead to **demand-driven training** programs, job placement programs, shared knowledge about hiring and layoffs within the network, and reduced training costs.

### **Anson Stamping Company, Inc.**

In 1993, three competing Louisville metal manufacturers joined forces to bid on supplying the pre-painted steel blanks and stamping used in GE's side-by-side refrigerator.

Although none of the three small companies had sufficient scale to compete for this contract alone, their combined investments in the new corporation and necessary equipment enabled them to secure it. The outcome of this collaboration was **200 new jobs a \$5 million payroll** and **\$62 million** in their first year of sales.

## ***Business Outreach / Information***

- A cluster network can facilitate **communication** between companies and City and State. Companies can access information on tax incentives, sources of capital, and other opportunities through network-sponsored workshops.
- Collaborative negotiation with banks may also improve member companies' **access to capital**.

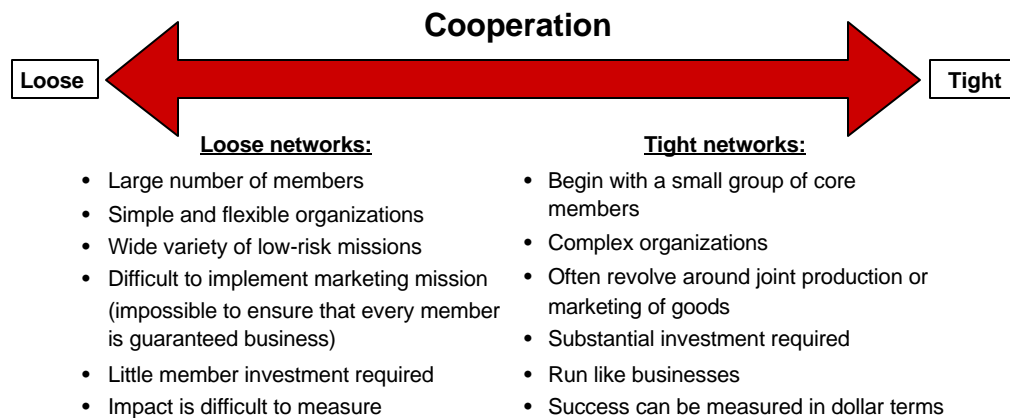
As the home of a successful metal manufacturing cluster network, the city of Bridgeport will benefit as well. The presence of a strong business alliance can aid both business attraction and business retention efforts. Companies are more likely to settle in a location where they have established networks. In many cases, the benefits of membership can eradicate or outweigh other competitive disadvantages of their location. For example, the existence of a cluster network can make it easier for a city to reach out to companies and address their needs. The network is an avenue for companies to voice these needs -- such as

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<sup>1</sup> Lean manufacturing is a process that streamlines production, plant layout, and job functions to improve quality and efficiency.

assistance with finding a site for expansion or accessing capital for new equipment -- and have their voices heard.

As Bridgeport companies consider the network structure that most effectively meets their needs, they can look to various existing networks as potential models. Some networks have created a 501c3 organization, while many remain loosely affiliated in a number of ways.



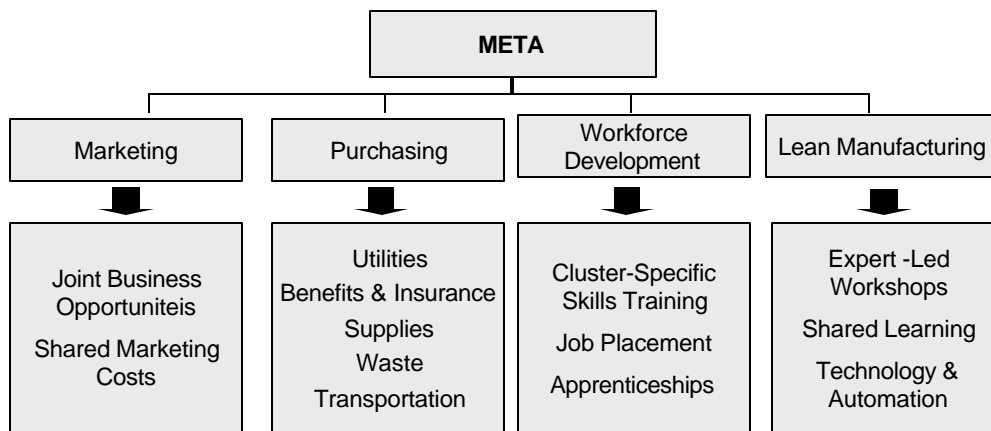
## **Launch of META - Metal Education and Training Alliance**

### ***Network Formation***

In Bridgeport, a group of metal manufacturers has already begun to respond to this opportunity by activating a cluster network. To address their common workforce needs, they worked with the Bridgeport Economic Resource Center (BERC), Housatonic Community College (HCC), and ICIC to apply for funding from the Connecticut Economic Resource Center (CERC) for establishing private-sector-led training programs. Including the \$10,000 exploratory grant that the group has already received, a total of \$85,000 is possible over three years.

Bridgeport entities have also worked with ICIC to submit a \$500,000 grant application to the U.S. Department of Labor to support demand-driven workforce development programs in metal manufacturing and other target clusters. Reflecting their initial focus on common training needs, the group has become known as the Metal Education and Training Alliance (META). The initial members hope to expand the network to a larger percentage of Bridgeport's 192 metal manufacturing companies.

Workforce development is only one of the opportunities for collaboration that the META companies are pursuing. The network has established subcommittees to focus on four major areas: marketing, purchasing, workforce development, and lean manufacturing. The CEO or another senior level manager represents each META Company on at least one of the subcommittees.



In addition to establishing clear objectives, META has taken the critical step of establishing private sector leadership. Howard Huelsman, CEO of Casco Products, has agreed to spearhead the effort as Network Champion. A Steering Committee, composed of four manufacturers (each of whom has assumed leadership of one subcommittee) and representatives from BERC and HCC, will support the Network Champion in his leadership role.

The network has already begun to demonstrate direct benefits of participation to its member companies. Each of the four subcommittees has met individually and made substantial progress on outlining and beginning to achieve their objectives.

- **Lean manufacturing:** A representative from Casco Products presented the company's strategy on lean manufacturing to the lean manufacturing subgroup. The subcommittee is investigating further consulting services.
- **Purchasing:** ConEd provided member companies with comprehensive energy assessments, a service that is valued at \$8,000 - \$10,000 for each company and potentially leads to substantial long-term efficiency savings. The purchasing subcommittee is looking into opportunities for aggregated purchasing of utilities and other goods and/or services.
- **Workforce development:** The workforce development subcommittee is making rapid progress in finalizing a demand-driven training curriculum. They are working with several students from Harvard's Kennedy School of Government to identify ways to enhance the curriculum through distance learning.
- **Marketing:** The marketing subcommittee is investigating the cost and functions of establishing a network Web site, as well as considering other marketing strategies.

Through META's continued success, manufacturing companies, inner-city residents, and the city of Bridgeport can benefit from the increased competitiveness of the cluster.



### III. ENTERTAINMENT AND TOURISM

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#### Recommended Action

To leverage current investments in entertainment and tourism, form a cluster work group to implement a coordinated business development strategy, including the following elements:

- Create a **construction cooperative** to help small inner-city contractors overcome barriers to business growth.
- Develop a strategy to link existing **commercial services** companies with opportunities in the entertainment and tourism cluster, encourage entrepreneurship, and/or attract franchises.
- Work with a **restaurant** consultant to identify and implement successful strategies to tap existing restaurant development opportunities.
- Boost the competitiveness of downtown **entertainment venues** by identifying and acting upon opportunities for business collaboration and joint purchasing.

#### Why Entertainment & Tourism?

In recent years, Bridgeport has made a significant investment in becoming an entertainment and tourism destination. The Bluefish stadium, the Polka Dot Playhouse, and growing visitation rates at other venues have led to an estimated total of one million visitors in 1999. The mayor's Clean and Green program and other revitalization efforts have also contributed to Bridgeport's potential as a desirable city to visit. The growing number of visitors to Bridgeport is expected to increase dramatically over the next five years with the development of the Arena and Harbor Place.

Bridgeport's growth as an entertainment destination will create numerous employment and business development opportunities. As a result of the Arena and Harbor Place alone, as many as 10,000 new jobs are anticipated. In order to maximize the economic return on its investment in entertainment, Bridgeport must define a proactive strategy for its inner-city workforce and entrepreneurs to capture these growing opportunities. Linking residents with training and career paths in entertainment and tourism and building entrepreneurial capacity will generate unprecedented economic momentum for Bridgeport. Bridgeport has a critical five-year window in which to plan and act.

Job and business opportunities in the entertainment and tourism cluster do not take place only within the entertainment venues themselves. As the diagram on the following page shows, the entertainment and tourism cluster includes many supporting industries, all of which can benefit from Bridgeport's efforts to become an entertainment destination. The Advisory Board has focused on ways to link Bridgeport's inner-city residents with opportunities in the construction, commercial services, and restaurant industries.

## Entertainment & Tourism Cluster

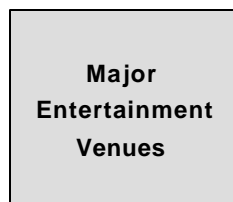
### Complementary Industries

Restaurants
Retail
Hotels

### Building Industries

Land Assembly and Cleanup
Architects
Contractors
Construction

### Core Businesses

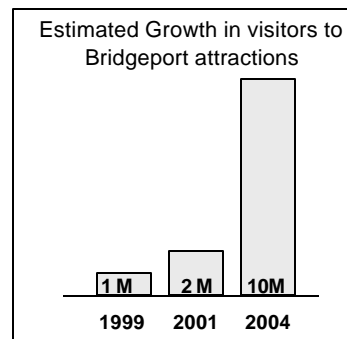


### Commercial Services

Security
Equipment
Janitorial Services
Employment Agencies
Marketing
Printing
Catering

### Institutional Support

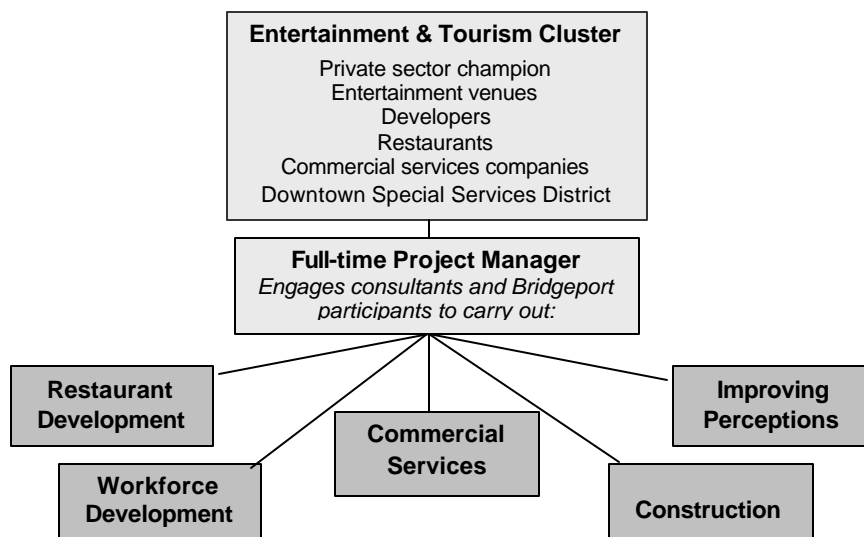
Transportation
Job Training
Tourism Offices and Associations



Key areas of focus

## Action Plan

A group of leaders in Bridgeport will form an entertainment and tourism cluster work group to prioritize and implement the strategies identified by the Advisory Board in construction, commercial services, and restaurant development. BRBC will support this effort. The working group will seek cluster funding from the State to organize subcommittees to oversee each of these strategies. The following chart represents a proposed structure for the cluster work group:



# Construction

The Arena and Harbor Place developments will create an unprecedented demand for construction services in Bridgeport. Bridgeport can position its residents and businesses to capture both **business opportunities** and **job opportunities**.

## ***Business Opportunities***

As the planned entertainment projects proceed over the next five years, business opportunities will become available to a range of individuals, from entrepreneurs with construction experience to small contractors hoping to grow. However, potential barriers to business growth exist for many small firms as well. These include:

- Business expertise in areas such as marketing, accounting, management, etc.
- Project pay-out schedule and other working capital constraints
- Lines of credit for bonding requirements
- Access to major projects and general contractors
- Access to project timelines and blueprints with sufficient advance notice

Many of these challenges may be addressed through a **construction cooperative** designed to meet the needs of multiple small contractors. The potential services that such a cooperative can offer include the following:

- Technical assistance in marketing, operations, management, accounting, etc.
- Workshops on aspects of the trade such as project management, estimating, etc.
- Linkages with large construction companies for mentorship and/or joint ventures
- Access to lines of credit for bonding purposes
- Access to working capital
- Assistance in obtaining credentials (MBE/WBE certification, business liability insurance, etc.)
- Referrals to jobs
- Resources such as office space, fax access, etc.

A group of small business development professionals and CEOs of local construction companies have agreed to form a subcommittee to begin discussion and planning around a construction cooperative in Bridgeport.

### **Resurrection Construction Cooperative**

This incubator, run by a community development corporation in Chicago, has provided start-up assistance to 22 businesses and expansion assistance to 13 businesses since 1995. By offering office space, technical assistance, lines of credit, working capital, workshops, referrals, and construction management coaching, the cooperative has helped these companies grow and create or maintain 208 construction jobs.



## ***Job Opportunities***

The Arena and Harbor Place developments are projected to add up to 3,800 new construction jobs in the next five years due to a strong regional construction market. Not accounting for Bridgeport's Arena and Harbor Place developments, demand for skilled construction workers in Southwestern Connecticut is projected to grow by an average of 243 jobs per year through 2006.

These growing construction jobs represent an opportunity for unemployed and underemployed inner-city Bridgeport residents, particularly since many entry-level construction jobs offer good wages and access to a career path.

### **Projected Job Growth: Southwestern Connecticut 1996-2006**

	Estimated Number of Total Jobs 2006	Estimated Percent Change 1996-2006	Estimated Annual Openings 1996-2006	Training Required
Heating, air conditioning, and refrigeration mechanics	1,350	25.0%	51	Long term*
Painters & paperhangers	1,430	21.4%	50	Moderate term*
Carpenters	2,550	12.3%	69	Long term
Electricians	1,640	11.7%	49	Long term
Plumbers, pipefitters, & steamfitters	1,010	6.9%	24	Long term
<b>Total</b>	<b>7,980</b>	<b>15.5%</b>	<b>243</b>	

\* Long term: more than 12 months of on-the-job training. Moderate term: 1-12 months of on-the-job training.  
Source: State of Connecticut Department of Labor Statewide and Regional Jobs Forecast 2006

These growing construction jobs represent an opportunity for unemployed and underemployed inner-city Bridgeport residents, particularly since many entry-level construction jobs offer good wages and access to

However, significant barriers to entry in the construction industry often reduce the extent to which these jobs are accessible. Potential challenges include:

- Prerequisites for union apprenticeships: high school diploma or GED, driver's license, job-readiness skills
- Lack of connections to the building trades through friends or family
- Inaccessible training locations and job sites
- Union-established limits on the journeyman-to-apprentice ratio
- Finances required to furnish tools, childcare, etc.

Programs to address these challenges exist in Bridgeport, but their scale is not sufficient to link unemployed residents with construction jobs on a large scale. The committee charged with planning the construction cooperative will also focus on several efforts related to employment and recruiting:

- Developing a large-scale pre-apprenticeship training strategy
- Pursuing an outreach strategy to increase awareness of available jobs and training programs
- Refocusing Bullard Havens' construction program to be more demand-driven

These efforts can be linked to the construction cooperative, providing a pool of labor for growing contractors as well as a career path for trainees.

## Commercial Services

Another large and growing opportunity in the entertainment and tourism cluster is in commercial services. The commercial services cluster includes companies that meet operational needs of businesses and institutions. In Bridgeport, anticipated growth in the entertainment and tourism cluster will greatly increase local demand for commercial services, such as:

- Building maintenance services
- Signs and advertising
- Security systems services
- Commercial printing

Growth in entertainment and tourism highlights a significant opportunity for Bridgeport's inner-city commercial services companies, entrepreneurs, and employees. Commercial services are booming nationwide – growing 50 percent faster than annual GDP – as companies increasingly outsource their operational needs. Inner-city companies are positioned to compete for growing commercial services demand due to their proximity to urban customers and transportation routes.

Currently, Bridgeport commercial services companies generate a total of \$174 million in sales. This represents only 8 percent of Fairfield County's \$2,275 million demand for these services. If Bridgeport increases its share of commercial services supply in the region, significant business and job growth are possible. The anticipated increase in demand from the Arena and Harbor Place alone could spawn **1,336 commercial services jobs** and **\$128 million in revenues** solely serving the Bridgeport entertainment and tourism cluster.

Bridgeport's existing entertainment venues can also benefit from a coordinated effort to link local commercial services companies with opportunities in the cluster. Although venues such as the Polka Dot Playhouse, the Barnum Museum, and the Downtown Cabaret have experienced a recent increase in visitors, they continue to struggle with high operating costs relative to revenues. Through joint purchasing arrangements with local commercial services providers, both the venues and the commercial services companies may realize opportunities for growth.

Bridgeport can pursue other strategies to encourage commercial services growth, including the following:

- Hold **informational forums** to make companies aware of new opportunities
- Provide **technical assistance** to help small companies compete for contracts
- Create a commercial services **business incubator**
- Maintain a computerized **database** of existing companies
- Encourage **partnerships** between companies to bid for large contracts
- Develop a strategy to attract **franchises** if existing companies cannot meet the demand

In order to determine which of these strategies can most effectively encourage inner-city commercial services growth, further analysis is necessary. Specifically, the following four areas require additional attention:

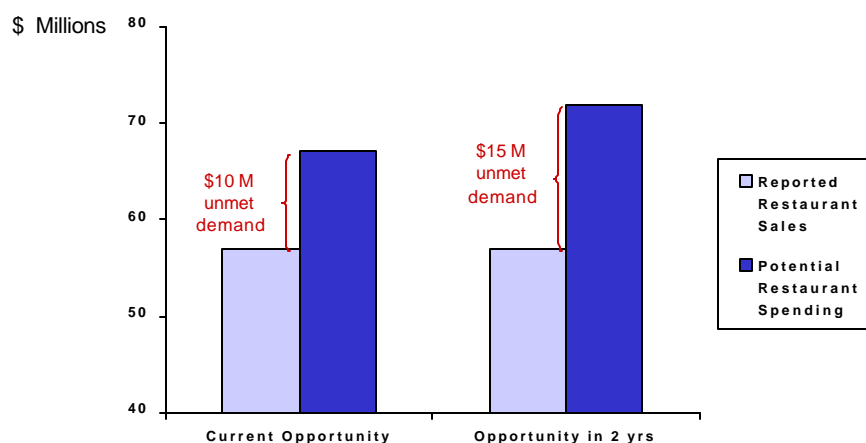
- Quantify the existing **demand** for various commercial services by Bridgeport companies, as well as the **supply** of these services in Bridgeport
- Determine **capacity** of existing inner-city commercial services companies
- Identify existing and future **market gaps**
- Identify **entrepreneurship** and **franchise** opportunities

## Restaurant Development

### *Opportunity*

There is a significant opportunity for restaurant development in Bridgeport, due to an unmet restaurant demand of up to \$10 million. As Bridgeport's entertainment venues grow, this market opportunity will only increase.

**Bridgeport's Restaurant Gap**



Sources: ICIC analysis using data from CERC, Dun & Bradstreet; CACI Marketing Systems Sourcebook, consumer expenditure survey

There are several possible reasons that restaurant demand exceeds supply in Bridgeport:

- Existing restaurants are not meeting their full potential
  - Visitors are not aware of restaurant options because of limited marketing
  - Restaurants are not proximate to key entertainment venues
  - Some restaurants are not interested in expansion
- Lack of available restaurants
  - Perception of crime and image of the city deter prospective restaurateurs
  - Lack of information regarding available sites for new restaurants
  - Insufficient outreach to attract new restaurants

If some or all of these issues are addressed and restaurant demand is met, a number of positive results are possible. Based on the average sales of current Bridgeport restaurants, meeting a \$10 million to \$15 million restaurant demand could support **10-20 new restaurants**. Given average employment rates, this translates to roughly **250 new jobs**. Restaurant development also represents a business opportunity for those looking to start a restaurant or expand an existing one. Finally, building Bridgeport's restaurant base can lead to increased foot traffic, benefiting local retailers and creating an attractive environment for office developments and further entertainment growth.

## ***Strategy***

A comprehensive approach to capturing restaurant demand must include three components:

- 1) New restaurant development
- 2) Improved positioning of existing restaurants
- 3) Improved perceptions of Bridgeport

Several high-potential strategies for new restaurant development in Bridgeport include the following:

- An **urban restaurant with an established regional name** can serve as an anchor to new and existing restaurants.
  - In the high-risk restaurant business, a restaurateur with a proven successful concept may be most likely to tread new ground in Bridgeport.
  - National chains are unlikely to locate in Bridgeport. Although restaurants such as Chili's and Fridays are expanding rapidly, the majority of this growth is taking place in suburbs and malls.
- A **Hispanic restaurant** is a potential market opportunity in Bridgeport.
  - Bridgeport's growing Hispanic population represents 32.5 percent of the city total.
  - Only 5.8 percent of the city's restaurants are Hispanic.
  - Bridgeport can market itself as a multicultural urban center.

- As a combined restaurant and entertainment destination, a **brewpub** can generate significant traffic.
  - Brewpubs cater to a wide range of markets, including pre- and post-theater and sporting events.
  - Brewpubs tend to thrive in areas that mirror the demographics of Fairfield County: high median household income and high education levels.

In order to prioritize and refine strategies for new restaurant development, Bridgeport may benefit from engaging a restaurant consultant. Using his/her expertise in the industry, a restaurant consultant could:

- Identify **restaurant concepts** that are likely to succeed in Bridgeport
- Identify **regional restaurants** that would likely succeed in the Bridgeport market
- Establish **screening criteria** for considering potential restaurateurs and manage the selection and negotiation process
- Identify and evaluate potential **restaurant sites**
- Work with the City on **incentive strategies** to offset initial risk
- Assist the restaurateur(s) in developing a **business plan** and feasibility analysis

A consultant may also help develop strategies for boosting the performance of new and existing restaurants as well as general perceptions of Bridgeport as a desirable location. For example, some potential strategies are the following:

- Facilitate **joint marketing** with new and existing attractions
- Publicize **clear directions** and well-lit, maintained avenues between attractions and restaurants
- Link restaurants with **experts** in marketing, sales, and operations
- Form a **Downtown Council** to attract, retain, and market downtown businesses
- Build on the effort of the **Downtown Special Services District** to improve safety, cleanliness, and storefront appearance
- Actively pursue **media coverage** for positive events

## IV. OFFICE SERVICES

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### **Recommended Action**

Develop a strategy that builds on Bridgeport's locational advantages to attract office services operations, including the following components:

- Tailored **workforce development** programs
- Efforts to improve **perceptions** of Bridgeport
- **Real estate** strategy to address the lack of Class A office space
- **Location**-based marketing and funding strategy based on the potential to reduce traffic

### **Why Office Services?**

Bridgeport is well positioned to serve as an office services center for the sizeable Fairfield County financial services industry. The term "office services" refers to businesses or corporate divisions that provide "back office" functions for large corporations, such as customer service/call centers, billing, database updating, and information management.

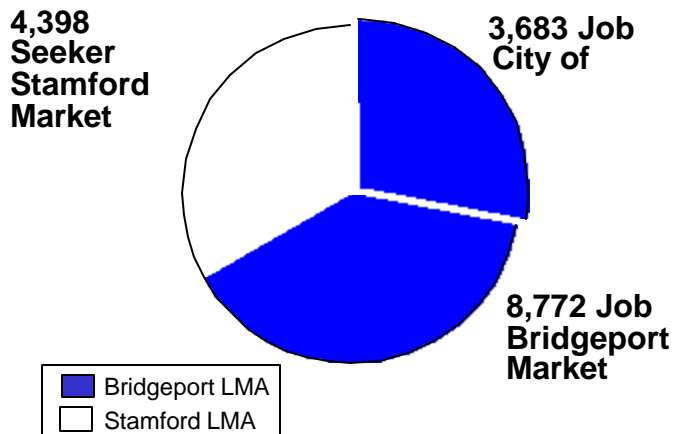
Financial services employment in lower Fairfield County has grown by three percent per year over the past five years. This growth is projected to remain strong. For example, 1,600 Securities and Financial Sales positions and 2,800 Information Clerk/Receptionist positions are expected to become available by 2006.

Due to these growth rates, Stamford companies face a significant challenge in meeting their workforce needs. In fact, if growth continues at the rate of the past five years, Stamford's entire pool of available labor will be tapped by 2003.

### **Opportunity**

Faced with impending labor shortages, Stamford companies have become increasingly aware that unemployed and underemployed residents of Bridgeport's inner city represent a significant pool of available workers, as shown by the graph on the following page.

### Unemployed individuals actively seeking employment in Southwestern CT



Source: Connecticut Dept. of Labor

A significant percentage of Bridgeport's labor force consists of potential candidates for office services employment. Linking this pool of workers with office services positions can be mutually beneficial, providing underemployed workers with attractive job opportunities and much-needed employees to financial services companies.

### ***Labor***

Interviews with existing office services employers in Bridgeport indicate their satisfaction with Bridgeport's current labor pool. In total, the Bridgeport LMA has over 51,000 employees directly involved in sales or clerical/administrative support, occupations that provide relevant training for many growing office services positions. Employees in these fields also comprise one-quarter of the total job seekers in the Bridgeport LMA. In other words, a large percentage of available workers in the Bridgeport area have at least some of the skills necessary to meet the needs of office services employers.

At the same time, office services employment provides an opportunity for underemployed workers to earn a higher income. Currently, 30 percent of the Bridgeport LMA labor force is employed in traditionally low-paying occupations. For example, over 45,000 workers have an average wage of approximately \$8 per hour. For these workers, many of whom have relevant skills, new office services positions offer an opportunity for upward mobility.

### ***Location***

In addition to its pool of available labor, Bridgeport's geographic location and transportation infrastructure can also provide unique advantages to office services operations.

- Some corporations, particularly financial institutions, prefer a city setting as opposed to a campus/office park environment.
- Bridgeport's train and highway system provides unparalleled access to the surrounding community.

- Bridgeport's public transportation infrastructure enables office services corporations to maximize access to Bridgeport's labor force.

## ***Reduced Congestion***

Locating new and expanding office services operations to Bridgeport can also help alleviate rush hour traffic on I-95, contributing to the State mandate to reduce traffic by 5 percent by 2003. In fact, as an unconventional approach to traffic reduction, recruiting office services operations may have a greater impact on the traffic situation than more traditional solutions. At the same time, for Bridgeport workers who currently commute to office services jobs in Stamford, a relocation to Bridgeport would decrease commuting time by as much as two hours per day, representing a potential boost in their quality of life and productivity.

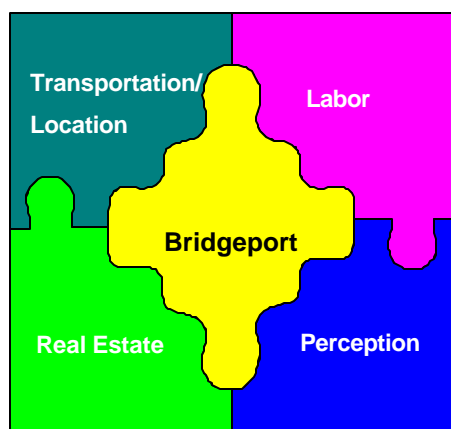
## ***Economic Stimulus***

Finally, building a new office building in downtown Bridgeport could infuse \$2.6 million per year into the downtown economy as a result of employee spending alone. Class A office space would also aid downtown development efforts by adding a significant blue-chip corporate presence. Besides its visual impact on the area, such a corporate presence could support retail and restaurant development and initiate environmental and safety improvements.

## **Strategy: Attract New Office Services Operations**

When a financial services company considers a location for its office services operations, four criteria are

### **Key location decision criteria for office services operations:**



#### **The strategy can build on Bridgeport's strengths**

- **Labor** - *most important decision criteria*
  - Available
  - Experienced
- **Real Estate**
  - Potential to be offered at a competitive price relative to Fairfield County
- **Transportation/Location**
  - Bridgeport's strategic location
  - Intermodal facility
- **Bridgeport perception**
  - Current redevelopment efforts are generating positive momentum

particularly important. In order to attract office services operations and capture the associated opportunities, Bridgeport will need to address these key location decision criteria.



In each of these four areas, Bridgeport must build upon its strengths and address its disadvantages. The following are key components of a strategy to address each location criteria:

***Labor Strategy: Enhance the adult education infrastructure***

Bridgeport can differentiate itself from other cities due to its excellent adult education infrastructure. Although Bridgeport's current training infrastructure is solid, it lacks the magnitude or office services focus that is necessary to accommodate future growth. Workforce development programs must be established that meet the specific needs of office services operations. Necessary components of these programs include the following: corporate assistance in developing curriculum and screening criteria, technical skills and problem solving training, differentiated training between unskilled candidates and low-skilled workers, and job placement assistance/job guarantees upon training completion. Finally, targeted recruitment strategies can link experienced workers with new job opportunities.

***Perceptions Strategy: Market Bridgeport as a safe, attractive place to do business***

Although crime has dropped significantly, corporations may be discouraged from locating to Bridgeport due to a lingering perception of crime. Seventy percent of businesses surveyed view perception of crime in Bridgeport as a disadvantage to their location. The common reluctance to locate in an area with questionable safety is intensified for office services operations, which often have two to three shifts per day. Bridgeport will need to build on current momentum to further revitalize downtown Bridgeport (Clean and Green project; Bridgeport Bluefish; Polka Dot Playhouse; Arena/Ice Rink). Additional efforts to assist downtown beautification, such as signage and facade improvements, are also necessary to boost perceptions of Bridgeport. Finally, attracting retail and commercial services businesses to downtown Bridgeport will help to alleviate safety concerns.

***Real Estate Strategy: Explore options to address the disparity between market demand and construction cost of Class A office space***

Bridgeport's limited Class A office space is currently 100 percent occupied. This hurdle is difficult to overcome because the cost of development exceeds foreseeable rent downtown. Market demand for Class A space in Bridgeport is \$18 to \$22 per square foot, while breakeven construction of new Class A real estate is estimated to be no less than \$26 to \$30 per square foot. A parking facility adds a cost that is not needed in a suburban setting. Department of Transportation (DOT) funding for traffic reduction is one potential source of funding to reduce construction costs. Leaders in Bridgeport will need to further explore this opportunity and better understand funding opportunities through DOT. Another potential strategy is to identify alternatives to office tower development that reduce construction costs, such as townhouse or low-rise office developments downtown.

***Location strategy: Highlight the potential to reduce commutes by locating in Bridgeport***

The locational advantages of Bridgeport can be the centerpiece of a marketing strategy. Bridgeport offers reduced commutes that can increase worker productivity and improve retention. Rush hour traffic can be

reduced by 950 to 2,850 cars per day if Bridgeport attracts just one major office building (250,000 to 750,000 square feet). These benefits are attractive given the State's initiative to reduce I-95 commuter traffic by five percent by 2003. DOT funding may be available to support this initiative if it contributes to meeting the State's traffic-reduction goal.

## **Action Plan**

Several major initiatives, spearheaded by BRBC, will move the office services effort forward in Bridgeport:

- 1) Further analysis to better understand market opportunities
  - Company interviews
  - Additional industry research (i.e. which types of buildings can potentially meet the demands of regional corporations)
- 2) Communications/marketing strategy to highlight the advantages of locating office service operations in Bridgeport
  - Identify assets to emphasize (commuting time, improved safety, etc.)
  - Develop a strategy to disseminate this information to key regional companies
- 3) Discussions with developers regarding new office space options
  - Identify financial strategies to offset development costs
  - Consider creative uses of space, such as lower-cost alternatives to office towers



## V. WORKFORCE DEVELOPMENT

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### Recommended Action

Create the Greater Bridgeport Consortium for Workforce Development and Job Training, a consortium of cluster business leaders, local training providers, community colleges, and other business organizations. The focus of the consortium will be to engage cluster business leaders to develop demand-driven workforce development strategies for the three target clusters, metal manufacturing, office services, and entertainment and tourism.

### Background

Bridgeport's workforce situation is closely tied to that of the region. Southwestern Connecticut's labor economy is characterized by three key factors:

1. In recent years, Fairfield County has seen unprecedented economic growth and opportunity.
2. Employers in Bridgeport and surrounding towns are struggling to find employees that match their needs.
3. Bridgeport has a large number of low-income residents who often face barriers to employment.

In combination, these factors point to the importance of addressing workforce issues. Economic growth in Southwestern Connecticut, as well as the reduction of unemployment and underemployment in Bridgeport, hinges upon a workforce development strategy that can upgrade the skills of the available labor pool to meet employer needs.

Seventy-five percent of the available labor in Southwestern Connecticut is located in the Bridgeport labor market area. However, many Bridgeport residents have not been able to access jobs that are growing in the region, as the following unemployment rates for September 1999 reveal:

	<u>Unemployment Rate</u>
Stamford	1.7%
State of Connecticut	2.7%
Bridgeport	4.0%
Inner-city Bridgeport	8.0%

Workforce development has emerged as a critical issue in all three of the target clusters in Bridgeport. In **metal manufacturing**, a large percentage of the workforce will reach retirement age within several years. Companies are desperately seeking workers who can step in and replace retiring employees. While these high-wage jobs present an opportunity for unemployed and underemployed workers in the region, a targeted recruitment and training strategy is required to find workers and prepare them for these positions.

Attracting **office services** operations to Bridgeport would create many opportunities to link new jobs with a wide spectrum of residents, including workers now commuting out of the city, unemployed people with

appropriate skills for the industry, unemployed people in need of skills training, and underemployed people looking to take their career to a new level. However, while this available labor pool can be a tremendous asset to the region, tailored workforce development programs are necessary to communicate Bridgeport's commitment to supporting office services operations.

Finally, workforce development is important for linking inner-city residents with growing opportunities in the **entertainment and tourism** cluster. In particular, the Arena, Harbor Place, and other developments will create thousands of new job and career opportunities in the construction, commercial services, and restaurant industries. Targeted workforce development and outreach programs can widen the economic impact of these new opportunities, creating a greater local return on Bridgeport's investment in entertainment & tourism.

## **Strategy: Create the Greater Bridgeport Consortium for Workforce Development and Job Training**

Within each cluster, the active participation of employers in developing job training and recruitment strategies is critical. Individualized cluster efforts, led by private sector working groups, can be most effective in meeting both employers' and employees' needs.

In addition to employer-driven efforts, because workforce development needs span many businesses and clusters, there is also an important role for comprehensive efforts shaped and supported by the public sector. In order to encourage this crosscutting level of support, a group of Bridgeport leaders has worked with ICIC to propose a comprehensive strategy to tackle workforce development needs in Bridgeport. The group submitted a \$500,000 grant proposal to the U.S. Department of Labor to form **The Greater Bridgeport Consortium for Workforce Development and Job Training**.

The goal for the proposed Consortium is to engage business leaders from each of the three business clusters, local training providers, the Regional Workforce Investment Board, community colleges, and other business organizations to develop demand-driven workforce development strategies in each cluster.

The Consortium would use DOL pilot and demonstration grant funds to assess job recruitment strategies and training needs in the three cluster areas. To do so, the Consortium would implement the following five-phase process:

1. *Cluster Activation*: The Bridgeport Regional Business Council (BRBC) and the Bridgeport Economic Resource Center (BERC) will work to identify businesses that wish to become part of the initiative in each of the three cluster areas. The Connecticut Economic Resource Center (CERC) will provide an expert facilitator through the early stages of cluster development until the cluster is able to hire its own project manager.
2. *Business and Industry Analysis*: This phase will consist of an in-depth analysis of industry trends both nationally and in Southwestern Connecticut in the three cluster areas.
3. *Assessment of employer recruitment strategies and training needs*
4. *Assessment of workforce skills relative to employer needs*

5. *Strategy Development:* In this phase, the cluster leaders will develop curricula targeted to the training gaps identified in phases two and three.

If the DOL funding is not obtained, the group that developed the proposal plans to move forward with the project by seeking alternative funding sources.



## VI. CHANGING PERCEPTIONS OF BRIDGEPORT'S INNER CITY

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### **Recommended Action**

The entertainment and tourism cluster work group will implement an aggressive marketing and communications strategy to improve perceptions of Bridgeport.

### **Improving perceptions is central to Bridgeport's success**

Improving overall perceptions of Bridgeport must be a critical focus of Bridgeport's economic development strategy. Currently, a widespread *perception* of crime in Bridgeport is a critical deterrent to business development. Perception of crime, in addition to Bridgeport's limited supply of retail and restaurant options, limits the number of visitors to the city and their length of stay. Commuters tend to leave downtown Bridgeport empty at the end of the work day, and visitors to museums, theaters, and the ballpark often leave immediately after their events.

In over 50 interviews with inner-city business owners, 69 percent of the owners identified the perception of crime as a competitive disadvantage to doing business in inner-city Bridgeport. Significantly fewer of these company owners – 50 percent -- consider actual crime to negatively affect their businesses. In fact, crime in Bridgeport has dropped considerably in recent years. These interview findings reflect the fact that perceptions of crime often linger despite safety improvements.

The business owners' responses also reveal that reversing negative perceptions can be as critical to improving the business environment as reducing crime itself. A bad image of the inner city perpetuates a vicious cycle of disinvestment. Proactive efforts are needed to reverse this cycle. Successfully improving perceptions can:

- Attract businesses to locate in Bridgeport by overcoming employees' safety concerns
- Support existing Bridgeport businesses by increasing their outside customer base
- Attract investors by removing uncertainty about economic and social stability

### **Strategy: Launch the Positive Perspectives Initiative**

Bridgeport has made a great deal of progress in improving its image as a desirable destination. The Downtown Special Services District, the Clean and Green project, and advertising efforts have spread the word that Bridgeport is changing in a positive direction. There is now an opportunity to build on this momentum by developing an aggressive marketing and communications strategy, which may include:

- Media coverage of successful business stories
- Press releases surrounding positive events
- Media coverage of family activities



This effort is central to the success of the strategies outlined in the entertainment and tourism and office services clusters. The entertainment and tourism cluster work group can effectively oversee a positive perceptions initiative. A potential high-impact strategy is to engage a public relations expert as an advisor. For example, a retired journalist or a Bridgeport media professional may provide pro bono or low bono services. Specific efforts through BERC will also be critical.

The importance of changing perceptions about the inner city has also emerged in the other four target cities involved in the Connecticut Inner City Business Strategy Initiative. As a result, the state of Connecticut is committed to addressing this issue comprehensively. Bridgeport may be able to increase its impact in this area by linking with statewide efforts.

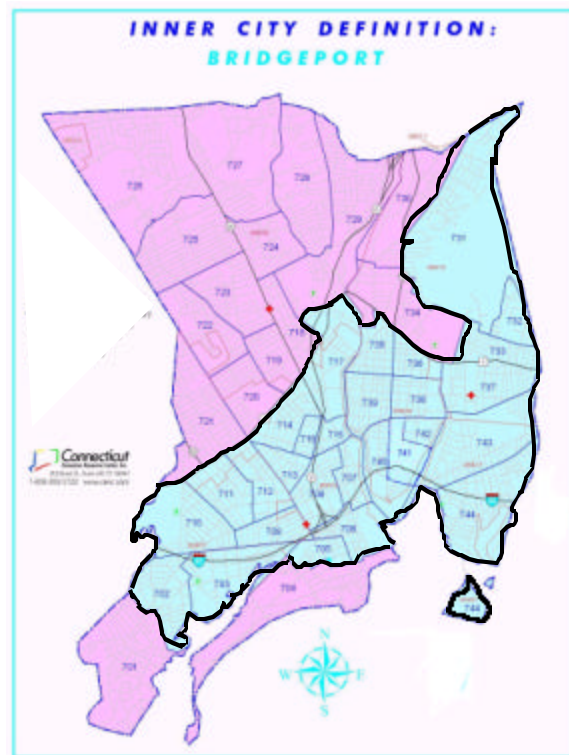
## VII. BRIDGEPORT'S INNER CITY

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The Bridgeport Inner City Business Strategy Initiative focuses on economic development strategies for Bridgeport's inner city, which is demographically distinct from the surrounding urban area. Specifically, the inner city includes census tracts that meet at least two out of three of the following characteristics:

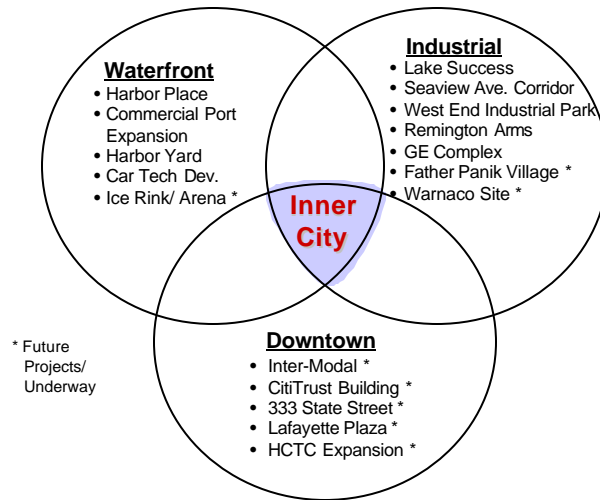
- Unemployment rate is 25 percent higher than the LMA unemployment rate
- Median Household Income is 75 percent lower than the LMA Median Household Income
- Poverty rate is 50 percent higher than the LMA poverty rate

Using this definition, over 50 percent of Bridgeport residents live in the inner city. The inner city also includes Bridgeport's central business district.



In recent years, Bridgeport has made a significant investment in urban economic development projects. These projects focus on redeveloping Bridgeport's downtown, waterfront, and vacant industrial land. While these efforts will strengthen Bridgeport's overall economy, an inner-city strategy is needed to translate them into tangible opportunities for job, income, and wealth creation. The key goal of this project is to broaden the reach and maximize the impact of Bridgeport's commitment to economic development by supplementing existing efforts with business and workforce development programs targeted toward the inner city.

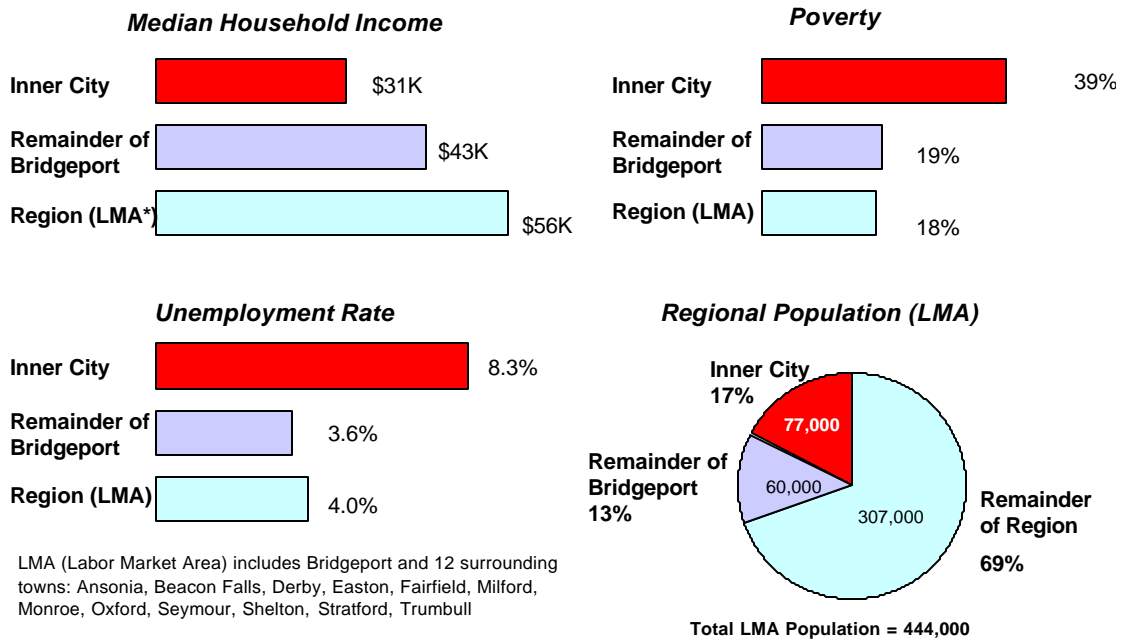
## Bridgeport's Economic Development Efforts



## Demographic Background

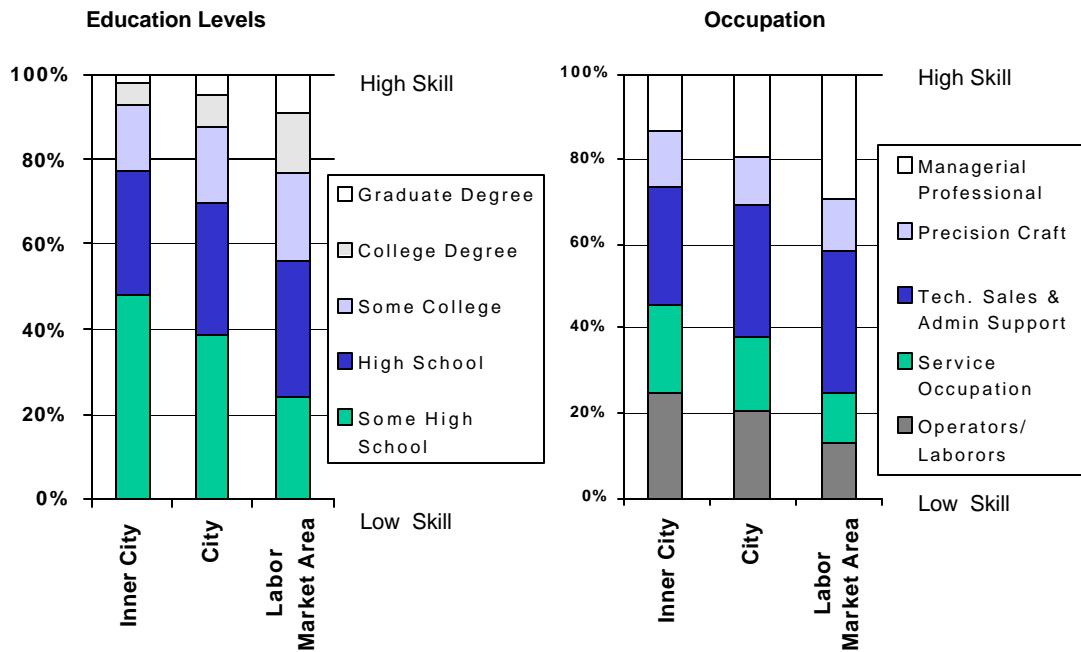
The area designated as Bridgeport's inner city represents 17 percent of the Labor Market Area population and 56 percent of Bridgeport's total population. Therefore, the economic health of the inner city significantly impacts that of the city and region. Given the demographic characteristics of Bridgeport's inner city, targeted economic development there is critical. Unemployment and poverty rates are double those in the rest of the city, and median household income in the inner city is \$12,000 less than the rest of the city.

### Demographic Characteristics of Bridgeport's Inner City



Education and skill levels are also significantly lower in the inner city, with fewer residents gaining college degrees and skilled positions in the surrounding areas.

### Education & Skill Levels



Source: Claritas, 1990



## VIII. CONCLUSION

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Bridgeport has made a bold effort to tackle every city's most pressing challenge – extending today's economic prosperity to citizens who have been left behind. Through the Bridgeport Inner City Business Strategy Initiative, leaders throughout the city have come together to produce a unique, multi-faceted strategy focused on building healthy inner-city economies and promoting opportunities for inner-city job, income, and wealth creation.

By taking decisive action to implement this strategy, Bridgeport will achieve dramatic results:

- Prepare hundreds of inner-city residents to compete for higher-skilled jobs with opportunities for advancement
- Create a competitive business environment that facilitates and supports business growth and attracts new business
- Create a strong base of inner-city businesses with access to the resources and assistance they need to expand and to adapt to competitive pressures
- Develop a pool of inner-city entrepreneurs poised to take on new business opportunities
- Solidify ties among business, government, and nonprofit leaders and build the institutional infrastructure needed to promote and sustain business development in the long term
- Fundamentally alter the opinions and attitudes of customers, investors, and business professionals regarding viable business opportunities in Bridgeport's inner city

Success will require sustained commitment across multiple constituencies to harness energy, resources, and leadership. By stimulating on-going commitment for these strategies, Bridgeport will reach new heights of success in advancing the economic prosperity of its residents.



# APPENDIX 1

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## Bridgeport Advisory Board

**City Champion**, Mickey Herbert, Principal, Bridgeport Bluefish

**Mayor**, The Honorable Joseph Ganim, City of Bridgeport

Joseph R. Crespo, Chairman, President & CEO, Southern Connecticut Gas Company

Gregg Dancho, Zoo Director, Beardsley Park

Pearl Dowell, Executive Director, Hall Neighborhood House

Robert Fiscus, Vice Chairman & CEO, United Illuminating Company

Mary Jane Foster, Principal, Bridgeport Waterfront Investors

Anne Habiby, Director of Research & Strategy, Initiative for a Competitive Inner City

Luis Hernandez, Owner, Luis Furniture

Howard Huelsman, President, Casco Products

Robert Mantilia, Vice President, Chase Manhattan Bank

Maximo Medina, Jr., Attorney, Zeldes, Needle & Cooper

Ralph Money, Executive Director, Greater Bridgeport Area Foundation

Wiley Mullins, President, Uncle Wiley's

Dennis Murphy, Chief Administrative Officer, City of Bridgeport

Kevin Nunn, President, Bridgeport Economic Resource Center

Jose Pena, Executive Director, United Way of Eastern Fairfield County

Joseph Riccio, Executive Director, Bridgeport Port Authority

George Santa, Chairman of the Board, Santa Fuel

Juan Scott, Regional Director, Connecticut Small Business Development Center

August Serra, Manager, Community Relations, General Electric Company

Paul Timpanelli, President & CEO, Bridgeport Regional Business Council

Elaine Torres, Owner, Pericas Travel Agency

Robert Trefry, President, Bridgeport Hospital

Janis Wertz-Hadley, President, Housatonic Community College



## APPENDIX 2

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### Bridgeport Research Team

Cowlis Andrews, Development Agent, Department of Economic & Community Development  
Jeffrey Bishop, Vice President Recruitment, Bridgeport Economic Resource Center  
Joe Braca, Chairman, East Main Street Revitalization Association  
Rosa Correa, Director, Governor's Southwestern Office  
Edith Diaz, Neighborhood Organizer, City of Bridgeport  
William Dorsey, Executive Director, Grow Bridgeport Fund  
Brian Gockley, President, West Side Community Council  
Carolyn Gonzalez, Economic Development Associate, Bridgeport Economic Development Corporation  
William Griffin, Director of Business & Industry, Housatonic Community College  
Beverly Hoppie, Vice President Community Development, People's Bank  
Joel Kent, Executive Director, Metropolitan Business Association  
Edward Lavernoch, Deputy Director for Economic Development, City of Bridgeport  
Tito Molina, President, West End Community Development Corporation  
James Nicholas, Director of Africa & Trade Marketing, Department of Economic & Community Development  
Robyn Roman, Program Manager, Local Initiatives Support Corporation  
Don Shea, Trashbusters  
Angie Staltaro, East Main Street Revitalization Association  
Robert Thornton, Dean of Outreach Services, Housatonic Community College  
Mark Trinkley, Senior Economic Development Manager, Department of Economic & Community Development

### **Project Managers** - Initiative for a Competitive Inner City (ICIC)

Claire E. Kaplan, Vice President  
Robert J. Devaney, Associate  
Jonathan Ang, Senior Analyst  
Stacy B. McAuliffe, Analyst

# APPENDIX 3

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## Bridgeport Business Interviews

ABC Signs	Klein Auditorium
Advanced Cleaning Concepts	Kuchma Corporation
Alloy Engineering	Lacey Manufacturing
Aquarion Management	Lindquist Builders Supply Co.
Barnum Museum	Logistec
Bead Industries	Luigi's Pastries
Beardsely Zoo	Luis Furniture
Braxton's Men's Clothing	M & O Corporation
Bridgeport Bluefish	Magnatek
Bridgeport Lumber Company	Mayflower Truck Stop
Bridgeport/Port Jefferson Ferry	Modern Plastics
Bridgeport Waterfront Investors	O & G Industries, Inc.
Brody Printing Co., Inc.	Pace Motor Lines
Calzone Case	Park City Valve
Captain's Cove	People's Bank
Casco Products	PJ Murphy
Ceedy's Cleaning Service	Polka Dot Playhouse
Chase Manhattan Bank	Precision Resources
Compass Worldwide Services	Preferred Tool & Die
Conroy Company	Roberto's Restaurant
Discovery Museum	Rotair Industries
Downtown Cabaret Theater	Santa Fuel
G.E. Capital	Service Management Group
General Electric	Sikorsky Aircraft
Greenleaves Interior Landscaping	SNET
Horberg Industries	Taco Loco
Jasper McLevy's	Uncle Wiley's
John L. Simpson Co.	VA Construction Company
Journey Films	William B. Meyer, Inc.

# APPENDIX 4

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## Bridgeport Organizations and Other Interviews

Action for Bridgeport Community Development	Hall Neighborhood House
The Academy Group	Housatonic Community College
Aerospace Components Manufacturing Network	The Indiana Plan
Analytics, Inc.	Lansing Department of Economic Development
Bridgeport Economic Resource Center	Local Initiatives Support Corporation, Bridgeport
Bridgeport Innovation Center	MacArthur Center
Bridgeport Regional Business Council	Motor Transportation Association of Connecticut
Bullard Havens	Mott Foundation
Career Resources	National Truck Stop Organization
Chicago Manufacturing Institute	Office of Economic Development, City of Stamford
Connecticut Business & Industry Association	Olsten Staffing Services
Connecticut Department of Economic & Community Development	ProduCTeam
Connecticut Department of Transportation, Department of Aviation & Ports	Regional Technology Strategies, Inc.
Connecticut Economic Resource Center	Resurrection Construction Cooperative
Connecticut Small Business Development Center	SACIA
CONN/STEP	Sheet Metal Workers' Local Union 38
Department of Social Services, City of Bridgeport	West End Community Development Corporation
Department of Planning & Economic Development, City of Bridgeport	Whitman Lane Associates
Greater Boston Manufacturing Partnership	WIRE-Net
Greater Bridgeport Regional Planning Agency	The WorkPlace, Inc.
Grow Bridgeport Fund	Youth ReBuild

## APPENDIX 5

